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New Source Review (NSR) Program Review Questionnaire  
May 14, 2003

Note: This questionnaire does not address implementation of changes made to the major NSR rules in EPA's rulemaking on December 31, 2002.

I. Program Requirements Common to Both Prevention of Significant Deterioration (PSD) and Nonattainment NSR

A. Netting

Y G N G 1. Is netting approved in your NSR SIP for determining whether modifications at major stationary sources are subject to major NSR (PSD or nonattainment NSR as applicable)? If no, please explain.

Yes

Y G N G 2. Is your contemporaneous look-back period five years, exactly the same as in the Federal PSD regulations at 40 CFR 52.21. If not, what is the contemporaneous time period for netting in your SIP?

Yes

Y G N G 3. For determining the baseline from which emission reductions are calculated do you require the applicant to submit the actual emissions from the units along with any permit limits that apply?

Yes

Y G N G 4. Do you allow an applicant to receive emission reduction netting credit for reducing allowable emissions instead of actual emissions? If yes, please explain.

No, we only allow reductions from actual emissions.

Y G N G 5. Do you allow an applicant to receive emission reduction credit for reducing any portion of actual emissions that resulted because the source was operating out of compliance?

No

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Y G N G 6. Do you allow an applicant to receive emission reduction credit for an emissions unit that has not been constructed or operated?

No

Y G N G 7. Are emissions reductions to meet MACT requirements eligible for netting credits? If yes, under what conditions? (See EPA's November 12, 1997 memo from John Seitz entitled "Crediting of Maximum Achievable Control Technology (MACT) Emission Reductions for New Source Review (NSR) Netting and Offsets".)

The Department has not had the opportunity to do this yet but believes it is appropriate for these reductions to be used as offsets to the extent they are creditable.

Y G N G 8. When any emissions decreases are claimed as part of a proposed modification, do you require that all stationary, source-wide, creditable and contemporaneous emissions increases and decreases of the pollutant be included in the major NSR applicability determination?

Yes

9. To avoid "double counting" of emissions reductions what process do you use to determine if emissions reductions considered for netting have already been relied on in issuing a major NSR permit for the source?

The Department requires the applicant to demonstrate that any emission reductions have not been relied upon when conducting a netting analysis. The Department also tracks these by identifying the emission reductions in its permit analysis associated with each change to the permit.

Y G N G 10. Do you have a process to track projects that use credits to net out of major NSR? If yes, please explain.

Yes, but nothing beyond the individual permitting analysis associated with each change to each permit. This issue does not occur very frequently in Montana ( $\approx 1$  per year).

Y G N G 11. Do you require that emissions reductions (e.g., reductions from unit shutdowns) must be

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enforceable to be creditable for netting?

Yes

Y G N G 12. Have you had public concerns regarding the netting analysis and procedures used for any issued permits that avoided major NSR? If yes, please describe.

No, not to our recollection, specifically in the last 5 years.

Y G N G 13. Do you allow interpollutant trading when netting, e.g., can a source use NOx or PM credits for netting out of VOC increases? If yes, please explain.

No

14. What process do you have to verify that a source's emissions reductions considered for netting, including emissions reductions that may have been "banked," are not already used by the source, or another source, as nonattainment NSR offsets? Please describe.

The Department requires the applicant to demonstrate that emission reductions used for netting have not been previously relied upon. The Department also updates the analysis portion of each permit to identify which emissions, if any have been reduced and why.

#### **B. Routine Maintenance, Repair, and Replacement (RMRR)**

Y G N G 1. Do you have knowledge of the EPA letter dated May 23, 2000, to Henry Nickel of Hunton & Williams concerning Detroit Edison and the Wisconsin Electric Power Company (WEPCO) case RMRR documents?

No. Montana has not needed to make any Routine Maintenance Replacement or Repair (RMRR) determinations in the past. However, Montana will consider this letter in the future should RMRR become an issue.

2. What other documents do you rely upon when making RMRR exemption determinations?

Any determinations that are given at the various NSR trainings or that may be submitted by an applicant. Also, previous policy, court cases, etc. would be used form RMRR determinations.

Y G N G 3. Do you have a formal protocol for making RMRR exemption determinations? If yes, describe the protocol.

The protocol isn't very formal because we haven't been asked to make a lot of these determinations in recent history. We would ask the applicant to provide a demonstration that what they are proposing is RMRR and provide any supporting documentation that they have. We would then review this and any other information that was available to make our determination. If the determination was difficult, we would ask for assistance from EPA Region VIII. If RMRR issues become common, we would likely develop "guidance" for the section to follow.

4. Approximately how many formal RMRR exemption determinations have you made in the last five years? Using any one such determination as an example, describe the example, state the conclusion you reached, and discuss how you reached the conclusion.

None, to our recollection.

Y G N G 5. Do you keep documentation of formal RMRR exemption determinations?

We haven't made any in recent history.

Y G N G 6. Do you restrict the RMRR exemption to units being modified and exclude replacement of entire units from RMRR exemption consideration?

See response to question 5.

Y G N G 7. Regarding the "purpose" evaluation factor in an RMRR exemption evaluation, do you exclude projects from the RMRR exemption that result in an increase in production capacity?

See response to question 5.

8. Regarding the "frequency" evaluation factor in an RMRR exemption evaluation, do you consider just the history of the specific unit(s) in question, just the history of other similar units at the same facility, just the history of similar units at other facilities in the same industry, or some combination of these histories?

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See response to question 5.

9. Regarding the "cost" evaluation factor in an RMRR exemption evaluation, what procedure do you follow to take cost into account?

See response to question 5.

- Y G N G 10. Do you provide RMRR exemption evaluation training to NSR permitting staff employees (other than on-the-job training)? If yes, describe the nature of the training provided.

The Department staff receives PSD training on the job as well as from EPA sanctioned courses.

- Y G N G 11. Do you provide an information outreach program on RMRR exemption evaluations for owners of regulated sources? If yes, how frequently do you provide such information and how do you provide it?

No, but we would if we were requested to do so.

### **C. Synthetic Minor Limits**

- Y G N G 1. Do you keep a list of synthetic minor sources (i.e., sources that would otherwise be major for NSR but are considered minor because of emissions limits or other limiting conditions in their permits) that is available for review by the public and EPA? If yes, please explain how.

No, the only such list that we maintain right now is for Title V purposes. However, we will consider adding a flag to our database to start tracking such sources. In addition, in the near future, our permit library will be located on the Department's web site for the public and/or EPA to review permits for sources.

2. Describe your formal process for establishing or designating a synthetic minor source.

This is completed at the time the permit is issued. Sources submitting an application typically request a limitation to keep them below NSR thresholds. If they don't, the Department contacts them and asks them if they prefer to accept a limit to keep them below NSR thresholds or if they want to be subject to NSR review.

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Y G N G 3. For synthetic minor sources do your permits include enforceable limits to keep the sources minor?

Yes. Enforceable limits such as production limits, fuel consumption limits, and control technology requirements have been added to permits to keep the sources minor. Rolling 12-month limits are used as appropriate to ensure that the limits are enforceable as a practical matter.

4. How is compliance with the synthetic minor limits tracked over time? Please explain.

Typically the facility must submit information demonstrating compliance with their limits on an annual basis, at a minimum, because this information is also used in developing an annual emission inventory. If the limitation is such that the time period for demonstrating compliance needs to be shorter, then more frequent reporting is required. The Department also has compliance staff that inspect the facilities and ensure that they are in compliance with all applicable limitations.

Y G N G 5. Are you satisfied that your tracking activities are sufficient to ensure that sources getting synthetic minor permits to avoid major NSR review are not actually operating above the applicable major source threshold?

Yes. Between the Department inspections and the reporting requirements for the facilities, the Department is confident that the synthetic minor sources are staying minor or would be identified as exceeding their synthetic minor status.

Y G N G 6. Do you include in your synthetic minor permits conditions requiring sources to notify you if and when the major source threshold is reached?

Yes. If a source is operating at the major source threshold then the source is out of compliance with their limits and the Department has sufficient compliance tools (record keeping, inspections, source tests, etc.) in place to identify non-compliance. There have been instances where the facilities have notified the Department that they have exceeded their permit limits.

Y G N G 7. Do you perform (or require) modeling for sources seeking synthetic minor permits to determine impacts on PSD increments?

Yes, if the increment analysis is applicable. Additionally, the



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Department has internal guidance documents that also direct when modeling is required.

Y G N G 8. Do you consider visibility issues in Class I areas, if applicable, when reviewing synthetic minor applications?

No, not in the past. However, in the future, visibility considerations for minor sources could be factored into the permitting process (BACT analysis/determination, for example). In addition, by rule, visibility impacts need to be assessed by the major source or major modification of a major source as well.

#### **D. Pollution Control Projects (PCP) Exclusion**

Y G N G 1. Do you have standard permitting procedures or rules that allow for certain changes at non-utility emissions units to be designated as PCP, which are excluded from major NSR?

We follow EPA's guidance on PCP exemptions from NSR.

2. How many PCP exclusions have been granted for "feed" or "fuel" switches?

None to the best of our recollection (especially in the last 5 years). The closest example we can identify is a change to cleaner fuels. However, Montana has generally required that these type of activities be permitted, rather than flagging the activity as a PCP.

3. What process do you use to determine if the project is "environmentally beneficial" and not just "economically efficient"?

We would ask the applicant to provide this demonstration and then we would review it. We would then seek concurrence from EPA Region VIII.

4. How are the collateral emission increases evaluated? Do you require a modeling analysis to demonstrate insignificant impacts from emissions increases?

A modeling analysis or some other quantitative analysis could be used, but a qualitative analysis could also be used.

5. How do you handle collateral increases in

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hazardous air pollutants (HAP)?

See response to question #4.

Y G N G 6. Are the emission reduction credits from PCP available for netting or NSR offsets? Please explain.

Yes, to the extent such decreases are made federally enforceable and they are creditable and have not been relied upon for compliance with the SIP, enforcement actions, etc.. We believe they (actual emission decreases) would be available to be used as offsets.

7. Which add-on control devices are most frequently involved in PCP exclusion requests?

The only PCP request in recent history involved the use of a regenerative thermal oxidizer that was part of a MACT requirement.

8. Which types of industrial sources typically request PCP exclusions from major NSR?

The only PCP request in recent history was from a kraft pulp mill.

Y G N G 9. Does your NSR SIP include the PCP exclusion for electric utility steam generating units (often referred to as the WEPCO exclusion)?

No

#### **E. Fugitive Emissions**

1. Please provide your regulatory definition of "fugitive" emissions for major NSR applicability purposes.

Those emissions which could not reasonably pass through a stack, chimney, vent, or other functionally equivalent opening.

Y G N G 2. Do you make a distinction between "fugitive" emissions and "uncontrolled" emissions? If so, please explain.

Yes, uncontrolled emissions are those emissions that do not pass through a control device or are not affected by a controlling agent or work practice. Uncontrolled emissions could be considered either "fugitive" or "point" sources of emissions depending on the type of source.



Y G N G 3. Do you include fugitive emissions in major NSR applicability determinations for new sources? For modified sources? Please explain.

Only to the extent fugitive emissions are required to be considered, such as for listed sources (28 source categories). For existing sources that are not "listed," Montana does not include fugitives in the need for permit determination.

Y G N G 4. Do you allow major sources to use reductions in fugitive emissions for netting purposes? If so, please explain, and describe how you determine the fugitive emissions "baseline" used for netting.

Yes, if the Department believes that there are actual emission reductions and it can be demonstrated that there is a net air quality benefit. The baseline that is used is the "actual emissions" which is in the Department's rules.

5. Please provide a description of your guidelines or calculation methodology used to quantify fugitive emissions.

This is a very broad question because there are a wide variety of fugitive emission types. In general, the Department prefers to use EPA emission factors (such as AP-42) whenever appropriate to do so. In addition, the Department may use other resources, such as professional judgment based on similar sources.

Y G N G 6. Do your permits contain conditions for specific emission limits or control methods/work practice standards for fugitive emissions consistent with requirements for BACT?

Yes

## **F. Modeling**

Y G N G 1. Do you follow EPA's modeling guidelines in 40 CFR Part 51 Appendix W?

Yes

Y G N G 2. Are deviations from the modeling guidelines in Appendix W subjected to public comment and submitted to the regional EPA office for approval?

Yes, to the extent all applications submitted to the Department are subject to public comment.

Y G N G 3. Are minor permit actions (i.e., proposed new and modified minor sources), evaluated to determine if modeling for PSD increments is needed? Under what circumstances is increment modeling triggered for these minor permit actions?

Yes, any minor source that is required to obtain a permit that is either major or minor that locates in a "triggered (baseline date)" area would be required to demonstrate compliance with any applicable increment.

Y G N G 4. Do you ask applicants to submit a modeling protocol for approval prior to submitting modeling?

Yes, if there is any deviation from standard modeling procedures the Department requests protocols be submitted. Although the modeling protocol is not required, it is highly recommended. Obtaining Department approval before modeling submittal is beneficial to both the applicant and the Department.

Y G N G 5. Is the protocol provided to other interested organizations (e.g., EPA, Federal Land Manager)?

Yes, if it is submitted and the other interested parties are required to receive it, such as a modeling protocol for a permit action subject to NSR. In addition, all information that is submitted to the Department (that is not deemed confidential) is part of the public record and open for public inspection. Such information is provided to interested parties as requested.

Y G N G 6. Is the effect of downwash modeled if stacks are less than good engineering practice (GEP)?

Yes

Y G N G 7. Are modeling analyses available for public review?

Yes, any information submitted to the Department (that is not deemed confidential) is available for public review, including modeling and supporting information.

Y G N G 8. Do you review modeling submittals to determine if option switches are correct?

Yes

Y G N G 9. When off-site meteorological data are used what years are typically used?

The most recent years that are available are typically used.

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The Department may also request that readily available preprocessed meteorological data that is representative of the area also be used in the analysis.

10. How do you train your modeling staff?

On the job training as well as any other training that is pertinent and available, such as Bee-Line, Westar, Earth Tech, etc.

Y G N G 11. Do you follow The Air Quality Analysis, Additional Impacts Analysis, and Class I Area Impact Analysis guidance provided in the New Source Review Workshop Manual (Draft October 1990)?

Yes

12. For cumulative national ambient air quality standards (NAAQS) and PSD increment compliance assessment:

a. How are the appropriate emission inventories of other sources developed?

Sources are required to compile these inventories and they typically rely on the Department's database that contains emissions from facilities. The Department then confirms that is was completed correctly.

b. What are the reasons used to identify and/or eliminate emission sources?

If an emission source would not cause or contribute emissions to the area in question, they could be eliminated. Sources are identified by traveling to the area, using maps, or other generally available information.

c. How are PSD increment consuming/expanding sources identified and tracked?

Most of these would typically be identified during the permitting of the major source that triggered the minor source baseline date. Any future sources moving into this area would also be tracked by the Department, as well as their emissions. In addition, the Department has a map of the increment areas by pollutant.

d. Are mobile sources modeled for increment compliance?

Yes, to the extent they consume increment.

13. What is the basis (e.g., allowable, maximum or average actual short-term emissions, last two year period, etc.) of the emission rates provided in the NAAQS and PSD increment consuming inventories of other sources?

For a cumulative analysis for the NAAQS allowable emissions from existing sources would be used along with the projected allowable emissions of the source seeking the permit. For a cumulative increment analysis the actual emissions from existing sources would be used if they were available (if unavailable allowable emissions could be used) along with the projected allowable emissions of the source seeking the permit.

14. How do you ensure that the controlling concentrations reported by the applicant for each pollutant and averaging period were appropriately determined?

The Department does this during the review of the information submitted in the application.

- Y G N G 15. Are the impact modeling analyses reviewed to ensure that they are accurate and complete, and that appropriate modeling procedures (e.g., modeled to 100-m resolution, fence line and not property line, nearest modeled receptors, etc.) were followed?

Yes

- Y G N G 16. Is complex terrain an issue in your region? What modeling procedures are used to address impacts in complex terrain?

Yes, the appropriate model is required and the terrain (receptor files) are reviewed by the Department to ensure that the proper spacing was used to accurately reflect the terrain and ensure that peak concentrations are modeled. Furthermore, "hot spot" modeling is conducted.

- Y G N G 17. Are pollutants without NAAQS and/or PSD increments addressed in the air quality impact assessments? What threshold concentrations (e.g., acceptable ambient concentrations) are used to evaluate impacts?

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Yes, these types of pollutants may be addressed in a more qualitative manner. The Department would generally rely on what is requested by the FLMs. The threshold concentrations would likely depend on the pollutant in question.

Y G N G 18. Do you have written agency-specific air quality modeling guidance for use by applicants? If yes, has the guidance been provided to other concerned organizations (e.g., regional EPA, appropriate FLM, etc.) for review and comment? Is your guidance available on the internet?

Yes, it is available on the internet.

19. How do you determine the appropriateness of proposed meteorological data for an application? When are "on-site" meteorological data required for an application? Are "on-site" meteorological data validated and accepted if recovery is less than 90 percent?

Appropriateness is determined according to the guidance set forth in the Department guideline (Appendix E). "On-site" meteorological data requirements are made on a case-by-case basis but are required primarily when the data is available or when there is no representative data available.

Every effort is made to ensure that the data is validated and that 90% is accepted. However, a case-by-case basis determination may be made and the "on-site" data may also be supplemented with representative data.

20. When an applicant's air quality modeling reveals NAAQS and/or PSD increment violations, what is required to grant the permit and how are the violations resolved?

The applicant is required to demonstrate that they do not cause or contribute to the violation. The violations would be addressed by dealing with the source(s) that are causing or contributing to the violation. In general, the Department uses an informal threshold established by Appendix S. Although this threshold was established for non attainment areas, the Department believes that it is a conservative approach for looking at PSD permits.

Y G N G 21. Do your regulations include the federal definition

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of ambient air? If no, what is your definition of ambient air?

The Department's definition of ambient air means that portion of the atmosphere, external to buildings, to which the general public has access.

22. Discuss your procedures for modeling "hot spots," including minimum receptor spacing?

The Department has suggested receptor spacing in Montana's Modeling Guideline. However, it is up to the applicant to determine the receptor spacing. The Department would ensure that the "hot-spot" receptor spacing is not more than 100 meters or less for very complex terrain.

23. How do you determine if background air quality data are representative?

Absent verified monitoring data in the area of concern, the Department has default values that are used for areas where no other significant sources exist. These background values may be used in conjunction with modeling sources that are located in the area to determine appropriate background values.

24. Do you use the same NAD for stack, receptor, and building UTM coordinates?

Yes

#### **G. Stationary Source Determinations**

Y G N G 1. Do your SIP-approved rules define stationary source differently than 40 CFR 51.165 or 51.166? If yes, please explain.

Yes, the Department's definition contains an exclusion for HAPs, except to the extent that such HAPs are regulated as constituents of more general pollutants listed in section 7408(a)(1) of the FCAA.

Y G N G 2. When determining if emissions units are contiguous or adjacent, do you assess whether emissions units under common ownership or control may be a single stationary source regardless of the distance between the emissions units? Please explain.

The Department uses EPA policy and guidance to determine if emitting units under common ownership or control are different sources. Distance between emitting units is one of the factors



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considered, along with the potential to affect the same airshed.

Y G N G 3. Do you assess facilities' financial, personnel, and contractual relationships to determine common ownership or control?

Yes. Frequently companies will show the information to the Department and then take the information with them when they leave, instead of leaving a copy of the information with the Department.

Y G N G 4. Do you assess whether sources with different first two-digit SIC codes (i.e., emissions units not in the same industrial grouping) may qualify as separate stationary sources?

Yes

#### **H. Debottlenecking and Increased Utilization**

Y G N G 1. When determining if proposed modifications are subject to major NSR, do you include emissions increases from existing emissions units that are not physically modified (i.e., units that will be debottlenecked or have increased utilization such as boilers)?

Yes

2. What method is used to determine the emissions increase from these emissions units? What EPA guidance do you consider for this issue?

The Department looks at actual and potential emission increase from debottlenecked units and any relevant guidance to determine how the regulations affect them.

Y G N G 3. Do you train your permitting staff to include such emissions increases when determining if a modification is major for NSR?

Yes, through on-the-job training and relevant training courses.

#### **I. Relaxation of Limits Taken To Avoid Major NSR**

1. Describe your knowledge of the "relaxation" regulatory provisions of 40 CFR 51.165(a)(5)(ii), 51.166(r)(2), and 52.21(r)(4).

In general, if a source becomes a major source because a

limitation (that previously was placed on the source to keep it from being subject to NSR) was relaxed, then certain provisions of NSR apply to the source or modification as if it were a new source and construction had not yet commenced.

2. What types of changes do you consider potentially subject to relaxation assessments?

There are many, examples may include the relaxation of limitations on production, hours of operations, control technology requirements, process limits, etc.

- Y G N G 3. Do you have a written policy on relaxation assessments?

No

4. Approximately how many relaxation assessments have you made in the last five years?

None, although any time changes are made to an existing major source the Department ensures that it is not relaxing a condition without the source complying with the appropriate requirements.

- Y G N G 5. Do you include specific permit limits and conditions to make potential future relaxation possibilities more identifiable?

Yes, specific references on limitations also helps as well as a thorough discussion in our permit analysis.

6. What is your understanding of the appropriate circumstances under which an existing minor source is allowed a 100/250-tons-per-year emissions increase without triggering relaxation provisions?

In general, if a minor source undertakes a physical or operational change and the change is in and of itself considered major, then that source is subject to NSR. If during this change the source relaxes a condition that was meant to keep them out of NSR, the source would be subject to certain provisions of NSR as if they had not yet begun construction.

- Y G N G 7. Do you provide relaxation evaluation training to NSR permitting staff employees (other than on-the-job training)? If yes, describe the nature of the training provided.

Yes, this is included in the EPA approved training that staff

attends as well as on the job training.

#### **J. Circumvention/Aggregation Issues**

Y G N G 1. When you review a modification to determine if it is major for NSR, do you consider aggregating prior minor emissions increases at the stationary source? Only if netting is part of the activity or if the Department believes that the modification should be considered with previous changes.

2. Please provide any criteria you may use to determine if a series of minor modifications or projects needs to be aggregated for NSR applicability purposes?

On a case-by-case basis, the Department would look at the previous modifications to determine if they should be considered part of the same project. Subsequent projects at the same facility would be subject to the same case-by-case scrutiny.

Y G N G 3. When requests are made to permit new or modified emissions units as separate minor changes over time, do you evaluate whether the permitting process is purposely staged as minor when the changes are really one permitting action subject to major NSR?

Yes. Furthermore, Montana's de minimis rule also prohibits projects from being artificially split up to avoid further permitting.

## **II. Prevention of Significant Deterioration (PSD)**

Note: The PSD program implements part C of Title I of the Clean Air Act for new or modified major stationary sources.

### **A. Program Benefits Quantification**

Y G N G 1. In your opinion, is the PSD program an incentive to reduce emissions below major source levels?

Yes. Industry appears to be quite interested in avoiding PSD.

Y G N G 2. In your opinion, have PSD permits been used as the authority to implement other priorities such as

toxic emission reductions and improved monitoring and reporting?

Yes

Y G N G 3. In your opinion, does the case-by-case nature of a PSD permit allow you to implement emission reducing programs or controls more quickly than rulemaking?

Yes

Y G N G 4. In your opinion, does the PSD program provide communities a mechanism to be involved in improving their own air quality?

Yes. In Montana, this is the case for both major source and minor source permitting.

Y G N G 5. In your opinion, has the PSD program contributed to sustaining good air quality?

Yes

#### **B. Best Available Control Technology (BACT)**

Y G N G 1. Do you require permit applicants to use the "top-down" method for determining BACT? If no, what approach do you require?

No, the Department does not have rules that require its use, but the Department certainly recommends it. In general, most sources use the top-down approach (both major sources and minor sources).

Y G N G 2. Do you commonly use information resources other than the RACT/BACT/LAER Clearinghouse to identify control options, costs, etc.? If yes, what resources do you commonly use and rate the usefulness of each one?

Yes, the most beneficial is information from other states, EPA, or FLMS. For example, the FLMS have shared "pending" application emission limits with the Department in the recent past. The applicants and vendors can also provide information. The usefulness of the information depends on the specific project that is being discussed. Although vendor information is useful, it is generally more difficult to obtain.

Y G N G 3. Do you provide a detailed documentation/explanation of draft BACT determinations in the public record?

Yes

Y G N G 4. In your public record for draft BACT determinations, do you provide an economic rationale if a BACT option is rejected as being prohibitively expensive?

Yes

5. What procedures do you use to calculate baseline emission rates for calculation of cost effectiveness values? What do you view as "uncontrolled" emissions?

The Department uses uncontrolled emissions, that is emissions that would be present without the benefit of controls or other non-enforceable procedures for reducing emissions. Generally, the Department uses uncontrolled emissions as the baseline.

Y G N G 6. Do you consider combinations of controls when identifying and ranking BACT options (e.g., low organic solvent coatings plus thermal oxidation)?

Yes, when appropriate to do so. The Department tries to look at practical control option combinations, not every combination (theoretical options that have never been used).

Y G N G 7. Do you ever re-group the emissions units included in a cost evaluation? For example, if an applicant's approach is to evaluate the cost of controlling each unit separately, do you ever consider combining units for control by one control device? Conversely, if an applicant combines all units for control by one control device and concludes this approach is too expensive, do you ever consider controlling individual units or a small group of units that have the greatest percentage of total emissions?

Yes, when appropriate.

Y G N G 8. Do your PSD permits specify emissions limits and control methods consistent with the basis (and capabilities) of the selected BACT options?

Yes

9. How do you establish the compliance averaging times for BACT emissions limits?

The Department looks at other state's requirements regarding averaging time, the averaging time basis for limits in the RBLC, NSPS, ambient standard basis (averaging time), or any other information available.

- Y G N G 10. Do you make sure that permit conditions impose restrictions consistent with BACT evaluation assumptions? For example, if the annual emissions used in a BACT cost evaluation are based on an assumption of less than continuous operation and/or operation at less than maximum capacity, do permit conditions contain limits based on the assumption used?

Yes

For questions 11-16 regarding BACT cost evaluations:

- Y G N G 11. Do you allow deviation from EPA's recommended cost evaluation procedures? If yes, please explain.  
If the applicant can make a demonstration that it is appropriate to deviate then we may consider it.

12. Do you place primary reliance on total or incremental cost effectiveness values? If you give greatest (or equal) weight to incremental costs, what is your basis for doing so?

Total.

- Y G N G 13. Do you place primary reliance on a comparative cost approach or a "bright line" test?

Comparative. The Department has an "approximate line" test, but a cost comparative approach is the primary driver for our establishment of BACT.

- Y G N G 14. If you place greatest importance on a comparative cost approach, do you try to obtain cost data for projects outside your permitting jurisdiction?

We may try and obtain costs or we may look at what other jurisdictions required and what their basis was.

- Y G N G 15. If you use what can be described as a "bright line" test, what is the basis of your "bright line" cost



effectiveness value and do you change the value over time to account for inflation?

NA

Y G N G 16. Do you use a different cost approach for different pollutants? If yes, please explain.

We try to be consistent among the different pollutants. However, HAPs, VOC, and CO are generally treated slightly different.

17. Under what circumstances do you conduct a BACT cost evaluation independent of the cost evaluation provided by the applicant? (An independent evaluation could entail obtaining additional vendor quotes.)

If the Department believes it necessary to do so for whatever reason, we may do this.

Y G N G 18. Are cost estimates required to be referenced to a common baseyear (e.g., 1998) so that cost estimates can be easily compared?

Yes, we try to compare apples to apples.

Y G N G 19. Are other agencies contacted to determine if their cost estimates need to be normalized before comparisons can be made?

Yes, if we rely on costs from other agencies the Department would make sure the comparisons were appropriate.

Y G N G 20. Do you perform a BACT assessment for all new/modified emissions units or activities emitting a pollutant subject to PSD review no matter how small the emissions from an affected unit or activity?

Yes, all pollutants emitted in a significant amount are subject to BACT under the NSR program.

Y G N G 21. Do you consider increases or decreases in corollary toxic/hazardous air pollutants as part of a BACT evaluation? [This question addresses implementation of EPA's "North County Resource Recovery Remand" memo dated September 22, 1987.] If yes, please give a specific example.

No, not usually. However, such pollutants could be factored

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into the BACT analysis as part of collateral environmental impacts, if it was appropriate to do so.

Y G N G 22. Do you provide BACT evaluation training to new (or newly-assigned) new source review (NSR) permitting staff (other than on-the-job training)? If yes, describe the nature of the training provided.

Yes, the Department's staff attend EPA sanctioned training on NSR, which includes BACT, and any other training that is available, including on the job training.

Y G N G 23. Do you provide BACT evaluation refresher training to experienced NSR permitting staff? If yes, how frequently do you provide this training and what is the nature of the training provided?

Yes, BACT-specific training recently became available and the Department will be sending staff to this training as time and resources allow.

Y G N G 24. Do you provide an information outreach program on BACT evaluations for owners of regulated sources? If yes, how frequently do you provide such information and how do you provide it?

No, not unless requested to do so.

Y G N G 25. Do you provide an information outreach program on BACT evaluations to the public? If yes, how frequently do you provide such information and how do you provide it?

No, not unless requested to do so.

Y G N G 26. Do you enter each BACT determination in the RACT/BACT/LAER Clearinghouse?

Yes, but for major NSR sources only.

Y G N G 27. Before establishing BACT as work practice, design, or operational standards do you determine that emissions limits (e.g., lbs/mmBTU, lbs/hr) are not feasible? If no, please explain.

Yes, and we try to factor in what is feasible and appropriate.

Y G N G 28. Do you apply BACT to fugitive emissions? If no, please explain.

Yes

**C. Class I Area Protection For PSD Sources**

1. How do you determine which proposed projects need a Class I impacts analysis, including consideration of distance of the source from Class I areas (e.g., maximum distance criteria)? Please explain.

The Department relies heavily on the FLM to determine the maximum distance they are comfortable with. Otherwise, in general every Class I area within a 200 km radius needs analysis.

- Y G N G 2. For new or modified sources within 10 kilometers of Class I areas do you require sources to submit an impact analysis for all pollutants to determine if any have impacts greater than  $1 \text{ ug/m}^3$ ?

Yes, we do this for all regulated pollutants, as required.

- Y G N G 3. Do you require applicants to submit a Class I increment analysis for each pollutant subject to PSD review for which an increment exists?

Yes

- Y G N G 4. Do you require applicants to identify and provide a cumulative impacts analysis (maximum impact within Class I areas) for all Class I areas impacted by the source?

Yes, specifically for increment. For AQRVs, the Montana Environmental Policy Act requires that a cumulative analysis be completed and the extent of that analysis depends on the size of the source, distance, etc.

- Y G N G 5. Do you have a formal procedure for notifying Federal Land Managers (FLMs)? If yes, please explain.

Yes, the rules require the Department to send all application materials to the FLMs for review and comments.

- Y G N G 6. Do your permitting procedures require the applicants to notify Federal Land Managers? If yes, please explain.

No, but during pre-application meetings, the Department strongly suggests that the applicants involve the FLMs early and often.

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Y G N G 7. Is there communication, consultation, and discussion between you and FLMs? If yes, to what extent (e.g., high, moderate, minimal).

Yes, it is generally very high.

Y G N G 8. Is there communication, consultation, and discussion between the applicant and FLMs? If yes, to what extent (e.g., high, moderate, minimal)?

Yes, it is high.

Y G N G 9. Do you actively seek input from FLMs during the permitting process?

Yes

Y G N G 10. Is the applicant required to address potential adverse impacts on air quality related values (AQRVs) that are identified by the FLM during the notification process?

Yes

Y G N G 11. Do you require prior approval of Class I area impact analysis procedures that applicants plan to use?

No, prior approval is not required but rather highly recommended.

Y G N G 12. Do you require applicants to perform a visibility analysis for Class I areas?

Yes, as appropriate.

Y G N G 13. If a visibility impairment is indicated, do you require the applicant to notify the appropriate FLM for the Class I area?

The FLM is notified because all application materials are sent to them and they are consulted regularly by the Department.

Y G N G 14. Is the applicant required to address potential effects on scenic vistas associated with Class I areas that may have been identified by the FLM during the notification process?

Yes, as appropriate.

Y G N G 15. Do you have a formal process for handling Class I

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area increment violations if predicted?  
No, but if this issue arises, Montana would deal with the issues.

Y G N G 16. Have you issued PSD permits where the FLM objected? If yes, please explain and identify the projects.

No

**D. Additional Impacts -Soils, Vegetation, Visibility, Growth**

Y G N G 1. Do your PSD application forms specifically require information regarding additional impacts?

If yes, include a copy of the forms.

No. However information regarding soils, vegetation, visibility, and growth may be collected as part of the MEPA process.

Y G N G 2. If no, do you require applicants to submit sufficient information necessary to complete an additional impact analysis?

The Department requires that applicants submit the necessary analysis even though it may not be specifically identified on the application.

3. What resources do you use for researching additional impacts?

Any information that may be available or submitted with the application. The Department also relies heavily on the appropriate FLM when reviewing any impact analysis.

Y G N G 4. Do you include environmental justice issues in your analysis?

No

Y G N G 5. Has an additional impact analysis in the last 5 years been a cause for concern in an issuance of a PSD permit? If yes, please explain.

Yes, recently an FLM made an adverse impact analysis on a draft permit issued by the Department; however, this was later withdrawn by the FLM.

Y G N G 6. Do you generally allow arguments that the protection

of the NAAQS will assure protection of vegetation?  
If yes, please explain.

This may be a consideration, however this really hasn't come up much in recent history.

Y G N G 7. Do you require that predicted short-term impacts (e.g., one hour NOx impacts) be used to assess impacts on vegetation for pollutants which do not have short term ambient standards? If no, please explain.

Yes, if appropriate to do so. Also, the Department relies on input from the FLMs regarding this issue.

Y G N G 8. Regarding visibility impacts, do you require assessments for vistas (e.g., parks, airports) near the proposed source or modification? If no, please explain.

Yes, as appropriate.

#### **E. Preconstruction Monitoring**

Y G N G 1. Do you have formal preconstruction monitoring requirements?

Yes, the rules describe when preconstruction monitoring is required.

Y G N G 2. Do you have a formal public participation process regarding requirements for preconstruction monitoring for specific proposed projects?

Yes, this is part of the normal permit review process and permit issuance. The applicant is required to notice the submittal of the application in the newspaper. In addition, the Department completes a public notice with the draft permit or EIS.

Y G N G 3. Have you ever consulted with FLM regarding preconstruction monitoring requirements for a proposed source or modification?

Yes

Y G N G 4. In the last five years have you ever required an applicant applying for a PSD permit to conduct preconstruction ambient monitoring or meteorological monitoring?



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Yes

Y G N G 5. Do you have a formal approval/denial process at the conclusion of preconstruction monitoring?

Yes

Y G N G 6. Do you have a formal process during preconstruction monitoring for resolving conflicts between the FLM and the applicant? If yes, please explain.

No, any process used would be more informal. However, if a permit decision is challenged to the Board of Environmental Review, the hearing process would be formal.

Y G N G 7. Do you routinely provide ambient monitoring data in lieu of requiring applicants to perform preconstruction monitoring? If yes, please briefly describe the monitoring network used and the basis for the monitoring value selected.

No, not routinely. There are instances where the Department has used existing monitoring data and determined that this data is appropriate to use to satisfy the preconstruction monitoring requirements.

Y G N G 8. Do you follow EPA guidance (e.g., siting, equipment, data validation, audits) regarding collection of preconstruction monitoring data?

Yes

9. Under what circumstances would you require post construction ambient monitoring as a condition of a PSD permit?

When the Department determines it is necessary to determine the effect the source's emissions would have on the air quality of an area. Also, the Department uses an internal guidance document to help determine the appropriateness of post-construction monitoring.

#### **F. Increment Tracking Procedures**

1. What method do you use to assign baseline dates, e.g., county-specific, region-specific, or entire state?

The date the 1 ug/m3 baseline area is defined.

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Y G N G 2. Do you have a list of the minor source baseline dates for each area?

Yes. Montana has maps for NO<sub>x</sub>, SO<sub>2</sub>, and PM<sub>10</sub> that identify these areas.

Y G N G 3. Do you have an understanding of receptor location dependence vs. source location dependence for increment tracking?

Yes

4. Do you have a formal or informal program for increment tracking?

More informal at this point because very few, if any, new sources have moved into the areas of concern.

Y G N G 5. Do you maintain and update a computerized emission source database for increment tracking that includes minor sources that affect increment? If yes, does the database include the information needed for modeling (e.g., source locations, stack parameters, emissions)?

Yes, this information is contained in our database.

6. Do you use allowable or actual emissions for increment tracking purposes? If actual emissions, how do you calculate emissions for each averaging period covered by the increments?

Actual emissions would be used for existing sources consuming increment while allowable would be used for those sources not yet permitted or in operation. There could be many different ways for determining the emissions for each averaging period, either emission factor-type information, actual source test data, emissions data from CEMS, etc.

Y G N G 7. Are area sources included in increment tracking analyses, e.g., growth-related and transportation-related emissions?

Yes

8. How frequently is increment consumption evaluated - on a scheduled basis or just when occasioned by a new permit application?

Primarily when a new application is submitted because there is very little growth in Montana.

9. How "transparent" (i.e., understandable) is the emission source inventory used for PSD modeling? Could an outside reviewer (such as a member of the public) clearly identify the sources included (e.g., name, location, stack parameters) and the sources excluded in a modeling analysis?

Yes, if the "outside reviewer" had some knowledge of what they were looking for regarding the sources.

10. How do you handle interstate increment tracking (for state reviewing authorities) or interjurisdiction tracking (for local reviewing authorities), including consistency of tracking across jurisdiction boundaries?

The Department would work with the other state or jurisdiction to obtain the necessary data.

11. What procedure do you follow in planning for and incorporating new modeling tools?

There isn't a set procedure. The Department would review the new modeling tools to determine their appropriateness and consult with other authorities as necessary.

- Y G N G 12. Do you provide increment tracking training to NSR permitting staff (other than on-the-job training)? If yes, describe the nature of the training provided.

No. However, there will be a workshop regarding this issue this fall that Montana will attend.

#### **G. Endangered Species Act (ESA)**

- Y G N G 1. Do you have a PSD program that is fully approved by EPA (i.e., SIP-approved)?

Yes

- Y G N G 2. Do you have a fully or partially-delegated PSD program? (Note: ESA obligations apply only when all or portions of a PSD program have been delegated.) If yes, answer questions 3 through 6 below.

No

- Y G N G 3. Do you notify PSD permit applicants of their ESA

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obligations? If so, please provide a copy or description of your notice.

NA

Y G N G 4. Do you know the difference between a formal vs. an informal consultation process?

NA

Y G N G 5. Do you advise applicants, concerning their ESA obligations, to consult with a.) EPA; b.) The U.S. Fish and Wildlife Service; and/or c.) Federal Land Manager? If yes, please explain, and describe what information you provide to applicants concerning their ESA obligations.

NA

Y G N G 6. Does an ESA consultation affect the timing of your issuance of a proposed or final PSD permit? If yes, please explain.

NA

### III. Nonattainment NSR

#### A. Program Benefits

Y G N G 1. In your opinion, is the nonattainment NSR program an incentive to reduce emissions below major source levels?

Yes

Y G N G 2. In your opinion, have nonattainment NSR permits been used as the authority to implement other priorities such as toxic emission reduction and improved monitoring and reporting?

Yes

Y G N G 3. In your opinion, does the case-by-case nature of a nonattainment NSR permit allow you to implement emission reducing programs or controls more quickly than rulemaking?

Yes

Y G N G 4. In your opinion, does the nonattainment NSR program

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provide communities a mechanism to be involved in improving their own air quality?

Yes

Y G N G 5. In your opinion, have the nonattainment NSR requirements contributed to reducing emissions or avoiding emissions increases in nonattainment areas?

Yes

**B. NSR Offsets**

Y G N G 1. Do you have an emissions "bank" for offsets? If no, go directly to 10.

No

Y G N G 2. Is the bank a database used for emissions trading? Please explain how the trading works.

NA

Y G N G 3. Do you, as the reviewing authority, control the trading of credits in the "bank"? If no, who controls the trading?

NA

Y G N G 4. Are the credits certified "creditable" (including surplus for attainment planning purposes and other Clean Air Act requirements) by you at time of entry into the bank?

NA

Y G N G 5. Are the credits evaluated and certified "creditable" (including currently surplus) at the time of withdrawal and use? If no please explain.

NA

6. How long are the "offsets" valid from time of reduction?

NA

Y G N G 7. Are the banked credits included in the attainment demonstration and inventory as "real emissions" (i.e., emissions being emitted into the air)?

NA

Y G N G 8. Are the banked credits used for NSR offsets only?  
If no, what are the other uses?

NA

Y G N G 9. Are the banked credits discounted with time? If  
yes, please explain the discounting procedures.

NA

10. How do you determine that the reductions being  
used are properly included in the attainment  
demonstration?

The Department accounts for appropriate reductions in its  
attainment demonstration. The Department makes sure that there  
is no double counting for attainment or offsets.

Y G N G 11. Are the emissions reductions available for NSR  
offsets only allowed from the same nonattainment  
area as the proposed source or modification? If  
no, please explain.

No, unless there are impacts from one source on multiple non-  
attainment areas or unless otherwise allowed under the Clean Air  
Act.

12. What procedures do you use to determine the  
baseline to quantify the reductions? How do you  
quantify the amount of creditable reduction?

The Department would look at the amount by which actual  
emissions are being reduced to quantify the amount of reductions  
available.

Y G N G 13. Are the records for determining actual emissions  
available for review by you?

Yes

Y G N G 14. Are copies of permits required as part of the  
permit application to determine if the reductions  
from other sources being proposed as NSR offsets  
are federally enforceable?

Yes, but this information is generally available on file with  
the Department.

15. How do you verify that the reductions proposed  
for NSR offsets are "surplus" to other Act



requirements and are "real," i.e., reductions in emissions that were actually emitted into the air?

The Department first requires the applicant to make this demonstration and then the Department reviews all available resources to determine the appropriateness of the reductions.

16. What process do you use to verify that the reductions were not used in a previously issued permit?

The Department first requires the applicant to make this demonstration and then the Department will review all available information to make a determination.

- Y G N G 17. Do you allow interpollutant trading for NSR offsets? If yes, please describe this trading procedure (e.g., pollutants allowed, ratio of reductions required, eligibility criteria, etc.).

No

- Y G N G 18. For serious and severe ozone nonattainment areas do you allow "internal offsets" instead of lowest achievable emissions rate (LAER)? What is the offset ratio?

NA

- Y G N G 19. Do you allow credits used for netting to be used as nonattainment NSR offsets?

Yes, if it can be demonstrated that there is a reduction in actual emissions and there will be a net air quality benefit

- Y G N G 20. Do your nonattainment NSR rules require the offset ratios prescribed in the Clean Air Act? If no, please explain what other ratios are used?

The Department requires offset ratios of 1:1 or greater.

- Y G N G 21. Do you require that applicants proposing to use NSR offsets include a "net air quality benefit" modeling analysis as part of their permit application? If yes, please describe what information is required.

Yes, a positive net air quality benefit analysis is required; however, the specific information required to be submitted is not identified in the rules.

**C. LAER Determinations**

Y G N G 1. Do you require permit applicants to use a top-down approach to determine the most stringent control option available for LAER? If no, what approach do you require?

No, the top down approach is not required by the rules; however, this approach would be highly recommended by the Department to determine LAER.

Y G N G 2. Do you require a permit applicant to identify all available control options? If yes, do you require the applicant to identify control options as being:

Yes

Y G N G a. Achieved in practice?

Yes

Y G N G b. Contained within the SIP of any other state or local reviewing authority?

Yes, as described in the LAER definition contained at ARM 17.8.901(10).

Y G N G c. Technologically feasible?

Yes

Y G N G d. Cost effective?

No, because cost is not a component of LAER.

Y G N G 3. Do you use information sources other than the RACT/BACT/LAER Clearinghouse to identify control options? If yes, what information sources do you commonly use and rate the usefulness of each?

Yes, the Department uses the RBLC as well as other information from states, EPA, or FLMS. The Department would also use vendor or any other information that is available. The usefulness of the information would depend on the specific project that is being discussed.

4. Please describe under what circumstances you would conduct a LAER analysis independent of the analysis conducted by the permit applicant.

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If the Department did not agree with the content of the applicant's analysis, the Department may conduct its own analysis.

Y G N G 5. Do you submit your LAER determinations to the EPA's RACT/BACT/LAER Clearinghouse?

Yes

Y G N G 6. Do you consider technology transfer in your LAER determinations?

Yes

7. If you consider cost effectiveness in LAER determinations, please describe the procedures used. (For example, describe the procedures used to calculate the baseline emission rate in the cost effectiveness determination.) For each criteria pollutant, provide the dollar/ton threshold used to determine whether a control option is cost effective (and state whether this is total or incremental cost).

NA, cost is not a component of LAER.

Y G N G 8. Do you use a different cost approach for different pollutants? If yes, please explain.

NA

Y G N G 9. Do you provide detailed documentation or explanations of proposed LAER determinations in the technical support document (TSD) or public record?

Yes

Y G N G 10. Do you provide an economic rationale in the TSD or public record if a LAER option is rejected as being prohibitively expensive?

NA

Y G N G 11. Do you consider combinations of controls when identifying and ranking LAER options?

Yes, as appropriate.

Y G N G 12. Do you perform a LAER assessment for all new/modified emission units or activities emitting a nonattainment pollutant subject to major NSR

review no matter how small the emissions from an affected unit or activity?

Yes

Y G N G 13. Does your LAER analysis include "time of" considerations? (For example, if a new or modified source had constructed without a permit and at a later time went through nonattainment NSR review, would you consider LAER at the time of permit issuance or at the time of emission unit construction/ modification?)

The LAER analysis would be LAER at the time of permit issuance.

Y G N G 14. Do your permits contain conditions requiring specific emission limits/ control method conditions/work practice standards consistent with the basis (and capabilities) of the selected LAER option?

Yes

15. Please describe how you establish compliance averaging times for LAER emission limits.

This would depend on the nonattainment area and the analysis that was conducted as part of a permit application.

Y G N G 16. Do your permits contain conditions requiring emissions testing, monitoring, record keeping, and reporting so that inspectors and enforcement personnel can easily determine compliance with LAER requirements? If no, please explain.

Yes

Y G N G 17. Do you ensure that permit conditions impose restrictions consistent with the LAER determination? (For example, if emissions used in the LAER determination are based on an assumption of less than continuous operation and/or operation at less than maximum capacity, do permit conditions contain limits or restrictions based on the assumptions used?)

Yes

18. Please describe how you incorporate public comments into your LAER determinations.

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The public would have an opportunity to comment on the application as well as any permit that was issued for a source. The Department reviews all public comments on a proposal and incorporates those changes that the Department believes are appropriate.

Y G N G 19. Do you provide LAER evaluation training to new (or newly-assigned) NSR permitting staff other than on-the-job training? If yes, please describe the nature of the training provided.

Yes, the Department staff receives EPA sanctioned training on NSR as well as on the job training.

Y G N G 20. Do you provide LAER evaluation refresher training to experienced NSR permitting staff? If yes, how frequently do you provide this training and what is the nature of the training provided?

No

Y G N G 21. Do you provide an information outreach program on LAER evaluations for owners or operators of regulated sources? If yes, how frequently do you provide such information and how do you provide it?

Only if requested to do so.

Y G N G 22. Do you provide an information outreach program on LAER evaluations to the general public? If yes, how frequently do you provide such information and how do you provide it?

Only if requested to do so.

#### **D. Alternatives Analysis**

Y G N G 1. Does each nonattainment NSR permit action address the alternatives analysis as required by section 173(a)(5) of the Clean Air Act?

Yes, this information is required in the application as well.

Y G N G 2. Is this alternatives analysis a specific requirement of your nonattainment NSR rules?

Yes

Y G N G 3. Do you have criteria that would address the depth of

analysis required for a specific project?

Not in the rules.

Y G N G 4. Do you include project-specific environmental justice issues that are raised as part of this analysis?

Yes, Montana would do this as described in Section 173(a)(5) of the Clean Air Act. Such issues are also described in the Montana Environmental Policy Act (MEPA) compliance document (generally an EA) that is created with each permit action requiring public input.

Y G N G 5. Do you know of any projects where this analysis resulted in changes to proposed projects? If yes, what changes resulted?

No

#### **E. Compliance of Other Major Sources in the State**

Y G N G 1. Do you require the permit applicant to demonstrate that all major stationary sources owned or operated by the applicant in your State are subject to emission limitations and are in compliance, or on a schedule for compliance, with all applicable emission limitations and standards?

Yes, the Department does require that the applicant certify that all major stationary sources owned and operated by the applicant are in compliance with all applicable emission limitations and standards (See ARM 17.8.905(1)(b)).

2. Please describe - a) the criteria used by an applicant in a statewide compliance demonstration, and b) when in the permitting process you require the applicant to make the statewide compliance demonstration.

The Department requires this analysis as part of its review of the application. There are no specific criteria identified to be used by the applicant in this demonstration as there may be a variety a methods and criteria available for use.

#### **IV. Minor NSR Programs**

##### **A. NAAQS/INCREMENT Protection**

Y G N G 1. Do you use modeling to assure that minor sources and

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minor modifications will not violate the NAAQS?

Yes

Y G N G 2. As a result of modeling are air quality monitors required for some sources as a permit condition?

Yes

Y G N G 3. For the pollutants with PSD increments established do you have a list of areas where the minor source baseline has been triggered?

Yes. The information is contained on a tracking map.

Y G N G 4. Do you model minor sources for PSD increments if the minor source baseline is triggered?

Yes, as appropriate.

Y G N G 5. Do you have procedures in place to identify minor sources that consume or expand PSD increment?

Yes

6. How does the public access a list of sources that affect PSD increments?

Any information that the Department has in its files are available for inspection by the public. Also, the Department has a database that may be used for such information.

## **B. Control Requirements**

Y G N G 1. Does your SIP require any level of control for emissions units not subject to major NSR requirements (e.g., BACT or LAER)? For example, do you have a BACT or similar requirement for minor modifications?

Yes, the State of Montana has BACT requirements for all sources requiring an air quality permit.

Y G N G 2. Are there any monitoring or reporting requirements for minor sources?

Yes

Y G N G 3. Does the application or permitting process require modeling for minor sources?

Yes

Y G N G 4. Do you require minor sources with Federally



applicable permit limits for MACT, NSPS, or NESHAP to report compliance?

Yes

### C. Tracking Synthetic Minor NSR Permits

Y G N G 1. Do you have records listing sources permitted as synthetic minors? If yes, how is this list updated?

The Department does not maintain a specific list of sources that "synthetic minor" from PSD. Such a list has been used to track information for "synthetic minor" sources from the Title V program.

Y G N G 2. Do you have an established procedure for tracking synthetic minor permits?

No

Y G N G 3. Do you include "prompt deviation" reporting requirements in synthetic minor source permits? If yes, how do you define "prompt deviation"?

No. But similar information is gathered through the normal recordkeeping requirements of the permit.

Y G N G 4. Do permit applications your agency reviews, and permits issued identify the requirements (e.g., PSD, nonattainment NSR, Title V, NESHAP) being avoided by keeping the source minor?

Yes

## IV. Public Participation

### A. Public Notification

1. What criteria are used to determine if a permit is public noticed?

All major NSR permits issued by the Department are also published in a newspaper to inform the public of the draft decision. In addition, the applicant is required to publish a public notice as part of the permit application submittal. The draft permit is also saved to the Department's website upon issuance and will be sent to interested parties upon request.

Y G N G Are new nonattainment NSR and PSD permits noticed?



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Yes

Y G N G Are major modifications noticed?

Yes

Y G N G Are synthetic minor permits noticed?

No, not by the Department; however, there are public notice provisions for all preconstruction permits (minor and NSR). In addition, the permits are placed on the Department's website upon issuance.

Y G N G Are netting permits noticed?

See response immediately above.

Y G N G Are minor permits noticed?

Other?

See response above.

Y G N G 2. Do you publish notices on proposed NSR permits in a newspaper of general circulation?

Yes, the permits are also saved to the Department's website.

Y G N G 3. Do you use a state or other publication designed to give general public notice? If yes, please describe.

Yes, the Department uses its web-site as well as newspapers to inform the public of permitting decisions.

Y G N G 4. Do you have procedures for notifying the public when major NSR permit applications are received?

Yes, this requirement is placed on the applicant as specified in Montana rule.

Y G N G 5. Have you developed a mailing list of interested parties for NSR permit actions [e.g., public officials, concerned environmentalists, citizens]? If yes, how does one get on the list?

Yes, the list is application-specific and members of the public just need to notify the Department of their interest.

Y G N G 6. Aside from methods described above, do you use other means for public notification? If yes, what are they (e.g., post notices on your webpage, email)?

Yes, both web-sites and e-mails are frequently used as well as

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telephones, radio and television interviews, and conversations with interested persons.

Y G N G 7. Do your public notices clearly state when the public comment period begins and ends?

Yes

8. What is your opinion on the most effective ways to provide public notice?

The web-site as well as all of the other media available (TV, radio, newspaper).

Y G N G 9. Do you provide notices in languages besides English? No, not unless requested.

Y G N G 10. Have you ever been asked by the public to extend a public comment period? If yes, did you grant the extension?

If no, please explain?

Yes, however, the Department can only in certain instances extend the public comment period so in most cases this request is rejected. The Department has extended the comment period for projects subject to an EIS and for projects subject to the incinerator provisions.

11. What approximate percentage of your major NSR permits are revised due to public comments?

This definitely depends on the source. Excluding comments from the applicant, at least 50% are generally revised for some reason or another. However, public participation seems to be increasing, based upon the last several years of permitting experience.

12. If a draft permit is revised, what criteria do you use to determine if a permit should be re-issued in draft?

If the changes clearly exceed the scope of the application or if the Department determines that the public could not have reasonably anticipated the change.

13. What type of comments or other concerns trigger a public hearing?

The Department would conduct a "public hearing" when requested,

as allowed by the statute.

14. How are public hearings noticed? How much notice is given?

Public hearings are noticed much the same way as applications and permits (i.e. newspaper, web-site, radio, etc,) and generally the Department tries to provide as much notice as possible (30 days if possible).

15. What is your process for the public to obtain permit-related information (such as permit applications, draft permits, deviation reports, monitoring reports) especially during the public comment period?

The public just needs to notify the Department of their interest and the Department explains where the information may be obtained.

- Y G N G 16. Do you have a website for the public to get permit-related documents? What is available online? How often is the website updated? Is there information on how the public can be involved?

Yes, currently the air permits are on the web, either in draft or final form, as well as the analysis for each permit and the Montana Environmental Policy Act compliance. Information is generally added/updated on the web daily (as permits are sent out).

- Y G N G 17. Do you provide training to citizens on public participation or on NSR? If yes, approximately how many training opportunities have been provided in the last five years.

No, unless requested.

18. How do you notify affected States (including tribes and Canada) of draft permits?

The Department sends the application material as well as draft and final permits to affected states and tribes if requested. They are also notified in the requested information about how to participate in the permit process should they choose to do so.

- Y G N G 19. Do public notices for PSD permits specifically state the amount of increment consumed?

Yes

Y G N G 20. Are public notices for PSD permits sent to each party identified in 40 CFR 51.166(q)(2)(iv)?

Yes

**B. Environmental Justice (EJ)**

Note: By EJ analysis we refer to any procedures applied during the permitting process, regardless of whether they are called EJ, that consider demographics (race, income, nationality, etc.), cumulative effects, (burden, exposure, risk), comparative effects or modifications to the public involvement processes to address unique characteristics of the project.

Y G N G 1. Do you consider EJ issues during the permitting process? If yes, please provide a description of the criteria, guidelines, or screening procedures used to address EJ issues.

Yes, to the extent that MEPA prescribes that the state look at social and cumulative effects. The Department conducts MEPA for every permitting action that requires public input.

Y G N G 2. Regarding section 173(a)(5) of the Clean Air Act, do you conduct an alternatives analysis as part of your nonattainment area permitting process? If yes, please provide a description of the EJ criteria or guidelines used for this analysis.

Yes, an analysis considering alternatives is required, but there are no EJ criteria or guidelines developed for this analysis by the Department, beyond the requirements of MEPA and Section 173(a) of the CAA.

Y G N G 3. Regarding section 165(a)(2) of the Clean Air Act, does your NSR permitting program and public comment process for PSD regulated pollutants provide for consideration of alternatives?

Yes, as allowed by Section 165(a)(2) and MEPA.

4. How are the demographics of the affected community taken into account in the permitting process?

Generally, the demographics of an area are factored into the MEPA document.

5. How are cumulative effects and/or pre-existing burden addressed in the permitting process?

Cumulative effects are addressed in MEPA as well as in the demonstration of compliance with the MAAQS, NAAQS, and increment.

6. What additional community information and/or demographics (for example - children, the elderly) do you consider important for an EJ analysis?

Those factors that are identified through the MEPA process.

- Y G N G 7. Do you allow public involvement during an EJ analysis? If yes,

- a. What stakeholder groups do you try to involve?

Those groups request to be involved or submit comments regarding the Department's draft decision.

- b. At what point in the EJ analysis or permitting process do stakeholders become involved?

Generally, stakeholders can get involved upon initial submittal of the permit application. Any comments submitted from application submittal forward are considered, as appropriate.

- c. To what degree and in what manner do stakeholders or the community influence the permit decision making process?

The substance of the comments determine the degree to which the stakeholders/community will be involved. Those interested can have great influence on the permit decision, as allowed by law.

- d. To what degree do you know about how stakeholders or the affected community participated in the permit decision making process?

This depends on the situation. The easiest way to know of stakeholder involvement is to review comments submitted and talk with the specific permit reviewer for a particular source.

- e. Describe how you make information available to stakeholders and the affected community. (For example - translation of information, understandable and accessible materials, personal contacts, clearly explained technical information including potential risk, distribution of information, public meetings, etc.)

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All of the information submitted to the Department is public information and available for public inspection (unless deemed confidential). Department staff is available to answer questions and explain permit information. Also, the Department decisions are further detailed in a permit analysis.

Y G N G 8. In the EJ analysis, do you consider direct and indirect benefits and burdens from the proposed actions? If yes,

- a. Describe what benefits you consider in the EJ analysis. (For example - economic, social, cultural, health, environmental, etc.)

The Department describes the social and economic, as well as the physical and biological, aspects of a project (pros and cons) in the MEPA document.

- b. Describe what burdens you consider in the EJ analysis. (For example - economic, social, cultural, health, environmental, etc.)

See response to 8.a above.

Y G N G 9. In the EJ analysis, do you consider comparative and disproportionate impacts? If yes,

Yes

- a. Describe the criteria or procedures used to determine any potential or actual adverse health or environmental effects or impacts.

This is determined on a case-by-case and criteria-by-criteria basis. The Department attempts to identify such impacts by requiring that the applicant to take the first shot at identifying social/economic and physical/biological impacts. The Department uses this information in conjunction with Department research to identify impacts.

- b. Describe the criteria or procedures used to determine whether evidence exists to describe these effects or impacts.

See response to 9.a above.

- c. Describe the criteria or procedures used to determine whether the proposed project complies with all applicable environmental laws.

See response to 9.a above.



**V. Program Staffing and Training Issues**

1. What is the total number of staff dedicated to permitting for your NSR program? Please provide an organizational chart.

10 technical staff which includes a modeler. There is also a permitting supervisor involved. This staff is responsible for minor NSR permitting, major NSR permitting, and Title V permitting.

2. For your NSR program please breakdown the staff into the different job functions (e.g., number of modelers, review engineers, technicians, environmental scientists, clerical, supervisory, enforcement).

5 engineers, 4 permitting specialists, 1 modeler, 8 compliance specialists, 1 clerical, 2 supervisors, 1 monitoring, 1 data management, 1 enforcement. This staff is responsible for minor NSR permitting, major NSR permitting, and Title V permitting.

3. Please describe your training program for new and existing staff who work on NSR permitting and issues. List any materials you use or training course you try to attend.

The staff are primarily trained by existing senior staff and supervisors who have experience in the program. The staff also try to attend as much NSR training, conference calls, etc. as possible. The Department uses EPA's draft NSR Manual for training as well as other training material made available through EPA or other trainers.

4. Describe any additional training that you believe would be beneficial. Would you like for EPA to provide more NSR training?

Yes, EPA needs to provide more NSR training, especially of the advanced type and specific to NSR Reform. Specific NSR training to Montana and BACT training would also be beneficial.

- Y G N G 6. Do you provide NSR program training opportunities for the public, including the regulated community? If yes, please describe.

No formal training, but would provide training if requested to

do so.

## VI. General NSR Program Issues

Y G N G 1. Do you implement EPA issued program guidance and policy for NSR? In no, please explain.  
Yes, when it is consistent with the rules and statutes.

Y G N G 2. In general, how do you learn about federal NSR rule changes? Do you use EPA's TTN website at [www.epa.gov/ttn](http://www.epa.gov/ttn) to monitor NSR program changes and implementation issues?

The Department mainly learns of these changes through involvement with WESTAR or STAPPA. EPA's web-site is consulted at times as well.

3. How do you determine if emissions factors (e.g., AP-42) are acceptable for NSR applicability purposes?

The staff reviews the source of the factor and determines if it is appropriate for use. Staff may also review other sources such as states, EPA, FLMs, vendors, etc. to determine the appropriateness of any factor depending on what it is.

4. Please provide any comments, suggestions, or concerns you may have regarding the NSR program.

The NSR program and the rules implementing the program should be reviewed and made clearer instead of the adoption of so much guidance to interpret the program. In addition, there is a real problem of consistency across every EPA region and within EPA regions.

5. Please provide the number of non-major permits you issued last year, not counting renewals.

~200

6. How many PSD permits did you issue last year?

~3

7. How many nonattainment NSR permits did you issue last year? Since 1990?

0, (1 since 1990 (1993))

8. For PSD permits what is the average time (months) taken by you to issue the permit, starting from the time the application was determined complete? For nonattainment NSR permits?



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A completeness determination is made within 30 days of application receipt. Once an application is complete the Department must meet statutory timelines, on average it takes about 2 months to issue a PSD permit and probably about the same for the nonattainment NSR permit. From initial submittal of an application, a draft permit is generally issued in about 7 months.

Y G N G 9. Do you have a formal procedure for establishing past permit violations related to NSR requirements?

Yes

Y G N G 10. Do you have a formal procedure for dealing with "self reported" NSR violations?

Yes

Y G N G 11. Do you have formal enforcement procedures for dealing with past violations of NSR requirements, including applicable BACT or LAER requirements of major NSR?

Yes

Y G N G 12. Do you include PM10 condensible emissions in the total amount of PM10 emissions when determining PSD applicability, BACT, PSD increment, and NAAQS?

Yes

Y G N G 13. When PM10 testing is required do you include a permit condition that requires testing and specifies testing methods for PM10 condensibles?"

Yes, as appropriate.

## **VII. Effective Construction Permits**

Do your construction permits:

Y G N G 1. Identify each emissions unit regulated?

Yes

Y G N G 2. Establish emissions standards or other operational limits that must be met, including appropriate averaging times for numeric limits?

Yes

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Y G N G 3. Include specific methods for determining compliance and excess emissions, including reporting, record keeping, monitoring, and testing requirements?

Yes

Y G N G 4. Outline procedures necessary to maintain continuous compliance with emission limits?

Yes

Y G N G 5. Establish specific, clear, concise, and enforceable permit conditions?

Yes

Y G N G 6. Include conditions necessary for a source to avoid otherwise applicable requirements (e.g., keeping a modification "minor")?

Yes